Washington State Homeland Security Section

Information Bulletin

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Subject:

Equipment Warranties and Maintenance/Service Agreements

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Table of Contents

- I. Introduction
- II. When may equipment warranties and maintenance/service agreements be purchased with Homeland Security Grant funds?
- III. When may the warranty/agreement time period be extended?
- IV. References

I. Introduction

The Homeland Security Section of Washington State Emergency Management is providing this information bulletin to assist local governments, state agencies and tribes in understanding when warranties, and maintenance/service agreements may be purchase with Homeland Security Grant funds.

II. When may equipment warranties and maintenance/service agreements be purchased with Homeland Security Grant funds?

The Department of Homeland Security Financial Management Guide and the Responder Knowledge Base (RKB) allow for the purchase of extended warranties and or maintenance/service agreements to cover parts, labor, and repair, above and beyond the term of the original manufacturer's warranty, if:

- the cost of the warranty or agreement is included as part of the acquisition cost of the equipment
- the equipment and warranty or agreement are being purchased from the same Homeland Security Grant source. (For example, they must both be purchased with 06 State Homeland Security Program (SHSP) funding.)
- the equipment and warranty or agreement have both been approved through Washington State's existing equipment approval process.
- the warranty or agreement period does not exceed the grant performance period for the funds it was purchased with. The grant performance period is generally longer than the jurisdiction's contract performance period. (For example if the equipment and warranty were purchased with 06 SHSP funds; the jurisdictions contract ends July 31, 2007; but the grant performance period ends July 31, 2008 the warranty/agreement period cannot extend past July 31, 2008.)
 - o if the jurisdiction wishes to purchase a warranty that extends past the grant performance period the cost of the warranty must be prorated, with the additional time period paid for out of a non Homeland Security Grant funding source.

III. When may the warranty/agreement time period be extended?

When a grant's performance period has been extended by DHS the service time period for a warranty/agreement may also be extended. This will allow for additional time to be purchased on the existing warranty/agreement. This can only be paid for out of the original grant source and with equipment funds. The extension of the warranty/agreement service period does not have to be resubmitted through the equipment approval process and does not require an extension of the contract performance period. However, it must be purchased prior to the end of the contract performance period.

IV. References

U.S. Department of Homeland Security Financial Management Guide, Allowable Costs - Page 36 http://www.dhs.gov/xlibrary/assets/Grants FinancialManagementGuide.pdf

Responder Knowledge Base https://www.rkb.mipt.org/